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Report Highlights:

Climate Change: Study points to lower farm yields..., *...New crop varieties to cope with climate change on anvil*, *India 65th on Global Hunger Index for 2009*, *Panel approves commercial cultivation of Bt Brinjal*, *Record import of vegetable oil in September 2009*, *OMCS may buy biodiesel at Rs 34 a liter*.

General Information:

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues will be expanded upon in subsequent reports from this office. Minor grammatical changes have been

made for clarification.

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CLIMATE CHANGE: STUDY POINTS TO LOWER FARM YIELDS ...

One of India's largest climate change studies to date, predicts a further rise in sea levels, a reduction in farm yields, and a thinning forest cover. Findings from this study, released by the Ministry of Environment and Forest, will be part of India's official submission to the United Nations Framework Convention on climate change. According to the latest research, agriculture is among the crucial sectors that would be affected by climate change in the next 50 years. P.K. Aggarwal, Head, Environmental Sciences, Indian Agricultural Research Institute, estimates that an increase of one degree Celsius in average global temperature will reduce yields of wheat, soybean, mustard, peanut, and potato by 3 to 7 percent. Although the adverse effects on agriculture are expected to be minimal until 2020, yields are estimated to drop by 10 to 40 percent by 2100. However, yields of chickpea, maize, sorghum, millets and coconut along the west coast could improve. (Source: Mint, 05/15/09)

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... NEW CROP VARIETIES TO COPE WITH CLIMATE CHANGE ON ANVIL

The Indian Council of Agricultural Research (ICAR) is working on new crop varieties in rice and potato to cope with climate change. These varieties are not just expected to be flood or drought resistant; they are also expected to withstand rising carbon dioxide emissions without suffering metabolic changes. Dr. Swapan K. Datta, Deputy Director General, ICAR, said that these crops will take 5 to 10 years to reach commercialization. ICAR is working with institutes such as the M.S. Swaminathan Research Foundation, the Bill & Melinda Gates Foundation, Calcutta University and other private bodies in developing such varieties. "The idea is to introduce genetic properties from other crops, such as maize and millet, that would enable rice and potato to withstand climate change," Dr. Datta said. He said the government needs to spend more on research and development in agriculture to boost agriculture output. (Source: Business Line, 10/14/09)

INDIA 65TH ON GLOBAL HUNGER INDEX FOR 2009

India is ranked 65th in battling hunger, according to Global Hunger Index for 2009. The report, released on October 15 by the International Food Policy Research Institute, German aid

group Welthungerhilfe, and Irish aid group Concern Worldwide said the number of malnourished people was rising as a result of recent events. It said 21 percent of the Indian population was undernourished (between 2003 and 2005), 43.5 percent of Indian children under the age of five were underweight (between 2002 and 2007) and the under five years age infant mortality rate in 2007 was 7.2 percent. (Source: Hindustan Times, 10/15/09)

PANEL APPROVES COMMERCIAL CULTIVATION OF BT BRINJAL

The Genetic Engineering Approval Committee (GEAC), the country's biotech regulator, has approved commercial cultivation of genetically modified (GM) Bt brinjal (egg plant). Bt brinjal will be the first GM food crop in India, if approved by the government. According to the Minister of State for Environment and Forests, the recommendations and the review committee report were received but these would be studied in depth before a final decision is taken by the Ministry. Bt brinjal has been under trial for the past nine years and was first sent to the GEAC for approval in 2004. It was cleared by a panel but a review committee was constituted in 2007 when civil society groups and NGOs raised doubts over health, safety, and environmental concerns. The outcome of this committee was discussed on October 14 and the GEAC cleared the commercial cultivation of brinjal. (Source: The Hindu, 10/15/09)

RECORD IMPORT OF VEGETABLE OIL IN SEPTEMBER 2009

Imports of vegetable oil in September 2009 have set a new record reaching 905,192 tons (864,896 tons edible and 40,296 tons non-edible), up 39 percent over September 2008. Total imports of vegetable oil during November 2008 to September 2009 was up by 57 percent to 7.9 million tons (7.56 million tons edible and 407,389 tons non-edible). Palm oil imports were 5,998,983 tons as compared to 4,161,727 tons for the same period last year. Import of soft oil is reported at 1,569,311 tons (572,491 tons of sunflower oil and 933,395 tons of crude soybean oil) compared to 660,031 tons during the same period last year. Considering ship arrivals lined up for October 2009, total imports could surpass 8.5 million tons (valued at Rs.270 billion). (Source: Press Release, Solvent Extractors' Association of India, 10/14/09)

OMCS MAY BUY BIODIESEL AT RS 34 A LITER

The government is likely to fix a price of Rs 34 a liter for purchase of biodiesel by oil marketing companies (OMC). Biodiesel producing companies have agreed to sell fuel at that rate based on recent meetings with the government. Most of the biodiesel plants are either running at 5 percent capacity or idle. This move would help put the plants to use. According to a source from the Biodiesel Association of India, Industry players quoted a price of Rs 36 a liter, but finally agreed on Rs 34. India's biodiesel processing capacity is estimated at 200,000 tons per year but a majority of biodiesel units are not operational most of the year. Commercial

production and marketing of biodiesel in India is negligible due to the lack of availability of jatropha seed and other non-edible oil feedstock, according to analysts. Oil extracted from the seeds of the jatropha plant, which can grow in wastelands across the country, is blended with diesel to manufacture biodiesel. (Source: Business Standards, 10/12/09)

RECENT REPORTS SUBMITTED BY FAS/NEW DELHI

REPORT #	SUBJECT	DATE SUBMITTED
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IN9132	Exporter Guide Annual 2009	10/13/09

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